





1           A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of  
2 the activities discussed herein.

3           B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a  
4 hearing before an administrative law judge, and hereby waives his right to a hearing and any and all  
5 administrative and judicial review of the issues raised in this matter, or of the resolution reached herein.  
6 Accordingly, Respondent, by his signature below, withdraws his appeal to the Office of Administrative  
7 Hearings.

8           C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the  
9 Statement of Charges and agree that Respondent does not admit to any wrongdoing by its entry.

10           D. **Mortgage Loan Originator License Application Denial.** It is AGREED that Respondent's  
11 mortgage loan originator license application is denied.

12           E. **Prohibition from Industry.** It is AGREED that, for a period of five years from the date of  
13 entry of this Consent Order, Respondent is prohibited from participating, in any capacity, in the conduct  
14 of the affairs of any consumer loan company licensed by the Department or subject to licensure or  
15 regulation by the Department. This provision will only apply to business activities within the State of  
16 Washington.

17           F. **Application for License.** It is AGREED that, for a period of five years from the date of  
18 entry of this Consent Order, Respondent shall not apply to the Department for any license under any  
19 name. It is further AGREED that, should Respondent apply to the Department for any license under any  
20 name at any time later than five years from the date of entry of this Consent Order, Respondent shall be  
21 required to meet any and all application requirements in effect at that time.

22           G. **Fine.** It is AGREED that Respondent shall pay a fine to the Department in the amount of  
23 \$3,000.00, in the form of a cashier's check made payable to the "Washington State Treasurer."  
24

1           **H. Investigation Fee.** It is AGREED that Respondent shall pay to the Department an  
2 investigation fee of \$450.00 in the form of a cashier’s check made payable to the “Washington State  
3 Treasurer.” The Fine and Investigation Fee shall be paid together in one \$3,450.00 cashier’s check  
4 made payable to the “Washington State Treasurer.” Respondent’s payment shall be delivered to the  
5 Department by or before November 04, 2016.

6           **I. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
7 consent of any person or entity not a party to this Consent Order to take any action concerning their  
8 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
9 Order, this Consent Order does not limit or create any private rights or remedies against Respondent,  
10 limit or create liability of Respondent, or limit or create defenses of Respondent to any claims.

11           **J. Non-Compliance with Order.** It is AGREED that Respondent understands that failure to  
12 abide by the terms and conditions of this Consent Order may result in further legal action by the  
13 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director for  
14 the cost incurred in pursuing such action, including but not limited to, attorney fees.

15           **K. Voluntarily Entered.** It is AGREED that Respondent has voluntarily entered into this  
16 Consent Order, which is effective when signed by the Director’s designee.

17           **L. Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this  
18 Consent Order in its entirety and fully understands and agrees to all of the same.

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1 **RESPONDENT:**

Youron Ulus Knighton III, NMLS # 1294332

2  
3 /s/ \_\_\_\_\_  
Youron Ulus Knighton III

9/21/2016  
Date

4  
5 **DO NOT WRITE BELOW THIS LINE**

6 THIS ORDER ENTERED THIS 26<sup>th</sup> DAY OF SEPTEMBER, 2017.

7  
8 /s/ \_\_\_\_\_  
CHARLES E. CLARK  
9 Director  
10 Division of Consumer Services  
Department of Financial Institutions

11  
12 Presented by:

13  
14 /s/ \_\_\_\_\_  
IGOR VOLOSHIN  
15 Financial Legal Examiner

16 Approved by:

17 /s/ \_\_\_\_\_  
18 STEVEN C. SHERMAN  
Enforcement Chief



1 **1.2 Prior Criminal Acts.** On or about November 16, 1992, the Sacramento Superior Court  
2 entered Respondent's guilty plea to a felony crime meeting the language of RCW 31.04.247(1)(d)(ii)  
3 and WAC 208-620-710(4)(c)(ii).

4 **1.3 Misstatement to the Department.** Respondent's MLO application required the submission  
5 of a Uniform Individual Mortgage License/Registration & Consent form (Form MU4), which consists  
6 of a series of questions. The following question is included in the Form MU4 under the Criminal  
7 Disclosure section:

8 Have you ever been convicted of or pled guilty or nolo contendere ("no contest")  
9 in a domestic, foreign, or military court to any felony?

10 Respondent answered "no" to this question. Respondent was obligated by statute to answer questions  
11 on Form MU4 truthfully and to provide the Department with complete details of all relevant events or  
12 proceedings. Respondent did not provide details, documents, or other statements to the Department  
13 regarding any past felony conviction. On or about January 27, 2016, Respondent attested, under  
14 penalty of perjury, that the information and statements contained within the Form MU4 are "current,  
15 true, accurate, and complete[.]"

16 **1.4 On-Going Investigation.** The Department's investigation into the factual allegation  
17 continues to date.

## 18 **II. GROUNDS FOR ENTRY OF ORDER**

19 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section  
20 I above, Respondent fails to meet the requirements of RCW 31.04.247(1)(d)(ii) and WAC 208-620-  
21 710(4)(c)(ii) by having pled guilty to a felony crime involving an act of dishonesty.

22 **2.2 False Statements and Omissions of Material Facts.** Based on the Factual Allegations set  
23 forth in Section I above, Respondent is in apparent violation of RCW 31.04.027(8) and WAC 208-  
24 620-550(6) for negligently making any false statements or knowingly and willfully making any

1 statements that omitted material facts in connection with any report filed with the Department by a  
2 licensee or in connection with any investigation conducted by the Department.

### 3 **III. AUTHORITY TO IMPOSE SANCTIONS**

4 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW

5 31.04.247(2), the Director shall not issue a license if the conditions of RCW 31.04.247(1) have not  
6 been met by the applicant, and shall notify the applicant of the denial.

7 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may  
8 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,  
9 employee, or any other person subject to the Act for a violation of RCW 31.04.027.

10 **3.3 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of  
11 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or  
12 any other person subject to the Act for any violation of the Act.

13 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 31.04.145(3) and WAC 208-620-  
14 590(1), the Director may recover the state's cost and expenses for investigating violations of the Act.  
15 The Department will charge the target of the investigation \$69.01 per hour.

16 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director  
17 may recover the state's costs and expenses for prosecuting violations of the Act.

### 18 **IV. NOTICE OF INTENTION TO ENTER ORDER**

19 Respondent's failure to meet the applicable licensing requirements of chapter 31.04 RCW and  
20 chapter 208-620 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and  
21 Authority to Impose Sanctions, constitute a basis for the entry of an Order under RCW 31.04.055,  
22 RCW 31.04.093, RCW 31.04.165, RCW 31.04.168, and RCW 31.04.247. Therefore, it is the  
23 Director's intention to ORDER that:



